

# Exhibit A

*2017-12-20*

# The Story and Voice of the Tezos Community



## About the Tezos Community

The grassroots Tezos Community is comprised of contributors, developers, Community leaders, prominent crypto technologists, thought leaders and researchers and key industry investors. Together, we have risen up to help the Tezos Foundation overcome its current paralysis and fulfill its mission to support the Tezos protocol. Through online forums and meetups around the world, the Community has united and is galvanized in its request that changes be made to the Foundation immediately.

## What we are doing and why

We are gravely concerned about Mr. Johann Gevers and his failure to realize the purpose of the Tezos Foundation. These concerns are clearly enumerated in this [Community Petition](#). The petition has now garnered almost 1,400 signatures, from 95 different countries, including some from eminent people in the wider crypto Community. The Tezos Community wishes to expose the gravity of Mr. Gevers' mismanagement and the need to make changes

immediately to ensure that we realize Tezos' astonishing potential.

In addition to the Petition, the Tezos Community Organizers have released two position statements, "The Tezos Community Condemns the Foundation Investigating Itself," which called out the conduct of the Foundation's self-evaluation as deeply disturbing amid reports here that Mr. Gevers would play a key role in reviewing evidence against himself, and "The Tezos Community Statement on a New Tezos Foundation Board Member," which, upon the resignation of board member Mr. Guido Schmitz-Krummacher, called on the board to unanimously elect a new board member who is a demonstrably competent executive, highly respected in the crypto Community, and completely independent with no prior dealings with current or former board members, and reiterated its call for Mr. Gevers to resign or be dismissed immediately.

While a board member, Mr. Schmitz-Krummacher never addressed the Community, but upon resigning, he joined an online Tezos Community forum and posted inconsistent and incomplete statements on his actions during his tenure, which he subsequently deleted and revised. This disturbing, questionable behavior severely diminishes Mr. Schmitz-Krummacher's credibility as he speaks about internal Foundation matters. In addition, these prior statements, which he has since deleted, failed to provide comprehensive answers to specific questions he was asked online, such as: what was the cause of leaks of internal Foundation matters to the media; why the complete and final Foundation audit had not been made public; why Mr. Gevers was allowed to review evidence against himself when obviously there was a conflict of interest; and, why there had not been a unanimous statement from the board clearing Mr. Gevers of the impropriety he denies. At this point, the behavior of the board is so questionable that if the audit is released the Community is concerned that it will be presented in an incomplete or redacted manner so as to protect the interests of Mr. Gevers and possibly of Mr. Schmitz-Krummacher as well.

### **Pattern of misconduct by Mr. Gevers**

Through its determined and passionate efforts, the Community has come to learn about a pattern of disturbing conduct by Mr. Gevers. These are enumerated in the previously mentioned petition, and through personal stories of Community members and former colleagues of Mr. Gevers. The following are a few of these stories and represent a clear and

consistent pattern of disturbing behavior by Mr. Gevers.

## The Tragedy of Monetas

Mr. Gevers' now bankrupt venture, Monetas, is a prime example of his appalling mismanagement and willingness to manipulate his financial backers with incomplete and false statements. Recently, Mr. Gevers praised the progress of Monetas to his investors, announced his expectations of profitability in Q2 2018, while only days later Monetas bankruptcy was announced. This means that Mr. Gevers praised the progress of Monetas though he perfectly knew that his venture was over indebted and that bankruptcy was imminent. Here is how he represented the matter to investors.

Furthermore, a key member of the Monetas team has bravely stepped forward to describe the mismanagement of Mr. Gevers. For now, because Mr. Gevers has a history of making threats of retaliation against people who have worked with him, this person wishes to remain anonymous.

*Most of the management and employees resigned in 2016 because we could see that Johann was an incompetent CEO, running the company into the ground. I am not surprised at all that Monetas eventually failed. Johann has treated employees and investors very badly. He harmed a lot of people.*

*Monetas had terrible governance. Johann set the company up in Anguilla, and granted himself sole and single handed decision making powers in all matters. The other shareholders, Board members, or management had no ability to make decisions.*

*Monetas had very competent managers and advisors who attempted to put the company back on course. As soon as anyone was getting traction, Johann declared them the enemy and part of the 'dark forces' that are hell bent on destroying Johann and Monetas. One example was a very experienced and highly regarded Swiss banker and entrepreneur, an excellent talented manager who came in as Advisor, and selflessly threw himself into saving Monetas - working practically full time (despite being*

*paid only for a few hours of advisory work). He made a great impact quickly. Johann soon declared that he was ‘part of the dark forces against him’ and that ‘his aim was to destroy Monetas’. His advisory contract was soon cancelled.*

*Many Monetas employees had serious financial problems because the company did not pay their salaries, often for months on end. We usually found out that the company was unable to pay salaries by checking our bank accounts and noticing that there was no incoming salary payment. When the company had liquidity problems, Johann almost never warned us in advance so we could at least make arrangements, almost never mentioned it when the salary payment date came and went without payments being made, and when we asked him when salaries were going to be paid, he repeatedly told us of <impending investment inflows> that were due soon and would cover the salary payments. These investment inflows typically did not materialise. We eventually realised that when Johann made these promises, this was on the basis of either no ongoing investor conversations, or only extremely tentative ones that could never have had anything but a small chance of materialising, and none within the timeframes that Johann indicated. Eventually, we did not believe Johann’s statements, but early on, many of us got into financial difficulties trusting what Johann had told us.*

*When Johann caused someone harm, he seemed to show no hesitation prior, nor guilt or remorse in hindsight. The only thing that seemed to concern him was how he would be seen as a result.*

*Johann has an inflated view of himself. I have heard him make the following claim, ‘I add a thousand times more value to this company than anyone else working here.’*

## **Tezos Foundation**

The same deplorable pattern of behavior is repeating, as Mr. Gevers has so mismanaged the Tezos Foundation that it has failed to fulfill its stated mission, as categorically detailed in the [Community Petition](#). The same animus that he showed towards former advisors who tried to help save Monetas he now aims at Kathleen & Arthur Breitman, the Tezos founders. Mr.

Gevers' paranoia of "the world is out to get me" drove him to leak internal Foundation matters to the press in an attempt to defame Kathleen & Arthur Breitman. After Arthur Breitman submitted a 46-page confidential complaint to the foundation, requesting that it be handled internally with discretion, Mr. Gevers leaked it to the press. Furthermore, when Kathleen & Arthur Breitman requested indemnity against the pending class action lawsuits, Mr. Gevers leaked the matter to the press.

Contributors to the Foundation expect and understand that the Tezos Foundation is obliged to fund the development of the Tezos protocol before its launch. As President of the Foundation, Mr. Gevers bears ultimate responsibility for meeting this obligation, but he has yet to approve funding to the core development team, forcing Kathleen & Arthur Breitman to fund the development alone. This pattern of Mr. Gevers forcing people who work with him to take money out of their own pocket, as happened with Monetas, is repeating at the Tezos Foundation.

On August 10, 2017, the Tezos Foundation announced a \$50 million development fund that excited many Community members. No additional details were given past that initial announcement, and no funds were ever distributed. In addition, the Foundation announced that its "spending plans will remain...similar to the numbers outlined in the Tezos Overview document," but the spending plan has not been implemented.

On September 30, 2017, the Tezos Foundation announced that it would build out the core development team as well as additional "organizations to house teams working on the core protocol, building out the developer experience, and crafting products and applications." Despite this broad ambition, only Board Member Diego Olivier Fernandez Pons frequently offers support and encouragement to the development team, as seen in twitters posts featuring photos with him and the team, and the core team confirms that Mr. Pons is doing all that he can to help prepare the Tezos network for launch. Mr. Gevers, on the other hand, has been mysteriously absent. Such a profound lack of leadership demoralizes the team and the larger Community.

Since September 30, 2017, the Foundation, under the leadership of Mr. Gevers, has failed to provide an update to the Tezos Community.

Community member and well-known leader, Jonas Lamis, through his own time, effort and expense has hosted a Community website and produced videos on the progress of Tezos. He also coordinated some meetups which the Foundation should have initiated and funded. Mr. Lamis received specific email approval from Mr. Gevers to host a meetup. In this email Mr. Gevers clearly represented that the expense would be reimbursed. Mr. Lamis submitted a request for reimbursement to Mr. Gevers, which has gone unanswered for more than 4 months and counting. The disregard, disrespect and callousness by Mr. Gevers does not go unnoticed by the Community, which highly values Mr. Lamis' contributions, and follow the same pattern of behavior he exhibited at Monetas, his now bankrupt venture.

## Resolution

We do not support or encourage the class action lawsuits that are pending against Tezos in the United States, which we denounce as without merit, and we offer our full support to Kathleen & Arthur Breitman and the core developers. The Tezos Community admires their heroic work despite difficult circumstances.

We call on the board of the Tezos Foundation to immediately fulfill its mandate to "promote and fund the development of the Tezos protocol," and for Mr. Gevers to resign or be replaced, and if needed, for the Swiss Foundation Authority to forcefully step in and make changes to the Foundation that are necessary to fulfill its stated mission. The Swiss Foundation Authority has clear responsibility and authority in the matter and exists for the purpose of making sure that the Foundation fulfills its charter. We denounce in the strongest terms the disrespect, disregard and utter contempt which Mr. Gevers has shown to the founders of Tezos, Kathleen & Arthur Breitman, and call on the board to repair its relationship with them.

We reiterate the essence of the Community Petition here:

- Regardless of the current state or outcome of the audit, the immediate resignation or dismissal of Mr. Gevers. The Community no longer has trust and confidence in his leadership;
- Immediate clarification of whether Mr. Gevers did or did not attempt to pay himself 750,000 XTZ and whether he represented this bonus as being worth 300,000 CHF;

- Full, unredacted publication to the wider Community by the Foundation's legal counsel of the audit investigating allegations against Mr. Gevers;
- With immediate effect, the disbursement of a sizeable budget to the core development team for the completion of network development, testing and deployment;
- With immediate effect, the disbursement of a sizeable budget for Community program funding, such as, but not limited to, the funding of a bug bounty program, Tezos ancillary utilities such as wallets, delegation and baking software, blockchain explorers, the Validator Audit program, Community forums, and other such Community projects that have self-funded so far;
- Introduce governance procedures into the Foundation to take into account the voice of Community members. The Foundation will work with the Community to come up with an acceptable method of making sure that its voice is adequately considered.

## Call to the Press

We call on all reputable journalists and media to take up the untold story of the Tezos Community and its reasonable and sound requests for a resolution. We regret that the united voice of the Community has barely been heard in news outlets while Mr. Gevers' views and leaks of internal Foundation matters have received large circulation in the media. We call attention to Mr. Gevers' ties with Thomson Reuters, as both Monetas and Thomson Reuters were founding members of the recently formed Crypto Valley Association, which Mr. Gevers initiated. Nevertheless, we are confident that Thomson Reuters, as well as other media outlets, will be professional and objective in accurately and adequately publishing the views of the Tezos Community.

The Tezos Community is incredibly optimistic about the potential of Tezos. Arthur Breitman and the core team of developers are doing heroic work moving forward despite difficult circumstances. With changes to the board, Tezos will move forward and reach the incredible potential that it has to revolutionize the blockchain sector.

The good name of Zug, Switzerland, known as "Crypto Valley" may well become known as "Klepto Valley" if the Tezos Foundation, with Mr. Gevers at its head, is allowed to take contributions from individuals all over the world and fail to use them for its stated mission and purpose in a timely manner.

The Tezos Community Petition Organizers

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